



Congress of the United States
House of Representatives
Washington, DC 20515-1403

June 28, 2017

The Honorable David Shulkin
Secretary of Veterans Affairs
Department of Veterans Affairs
810 Vermont Ave NW Washington, DC 20420

Dear Secretary Shulkin,

We write to express our concern at the alarming amount of late payments for medical devices procured by the Department of Veterans Affairs (VA). With many companies reporting accounts receivable in the millions of dollars, the level of late payments has reached unacceptable levels and is a significant impediment to providing veterans with the care they deserve. It is long past time that this problem is fixed, and we urge the Administration to expedite resolution of this issue.

The United States is home to more than 7,000 medical device companies who employ more than 400,000 American workers and invest billions of dollars every year into life-saving technologies. The industry is an invaluable ally in the VA's mission to provide quality care for our nation's veterans, providing medical devices ranging from prosthetic limbs to cochlear implants.

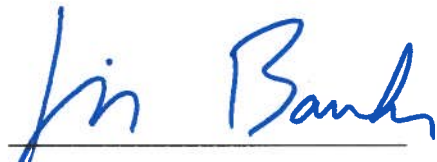
VA payments to vendors for goods and services are subject to the Prompt Payment Act, meaning payments can be made no later than 30 days after the invoice date. Despite this requirement, numerous medical device manufacturers have outstanding invoices going back as far as 2013 with accounts receivable in the hundreds of thousands, or even millions, of dollars. For example, members of the Coalition for Government Procurement have reported as much as \$15 million in late payments for replacement knees, replacement hips, spine implants, and cardiac pacemakers/defibrillators provided through the VA Prosthetics Program. Nearly one third of these payments have been delayed for more than 90 days. This number does not include the numerous other companies outside this coalition who have also not been reimbursed by the VA.

Clearly, medical device manufacturers cannot operate in an environment where they are not being compensated for the products they produce. If the VA continues to lag in reimbursing these companies, it runs the risk of depriving veterans of access to these critical technologies and undermines the mission of the department. Unfortunately, medical care has already been impacted, as evidenced in the recent preliminary VA IG Report on the Washington DC VA

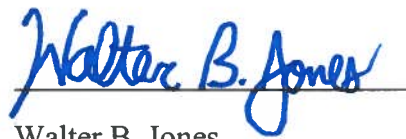
which describes how a “tray used in surgeries to repair mandibular (jaw) fractures had been removed from the facility due to outstanding invoices from the vendor. Surgical staff informed us that a procedure had to be delayed as a result.”

We know that you and President Trump are committed to ensuring that our veterans receive the highest quality care possible, and we ask that you make this a top priority. We are confident that the medical device community is ready to work with the VA and other stakeholders to ensure continued access to these life-saving and life-enhancing technologies, and as Members of Congress we also look forward to working together to address this issue.

Sincerely,



Jim Banks
Member of Congress



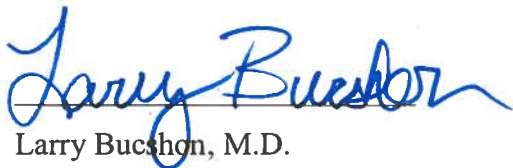
Walter B. Jones
Member of Congress



Jackie Walorski
Member of Congress



Luke Messer
Member of Congress



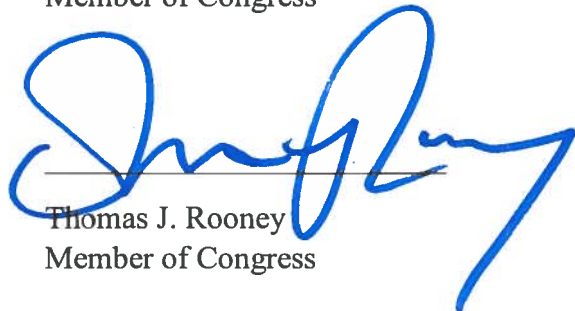
Larry Bucshon, M.D.
Member of Congress



Jack Bergman
Member of Congress



Scott Tipton
Member of Congress



Thomas J. Rooney
Member of Congress



Steve King
Member of Congress



Frank A. LoBiondo
Member of Congress



Todd Rokita
Member of Congress



Susan W. Brooks
Member of Congress



Mike Bost
Member of Congress



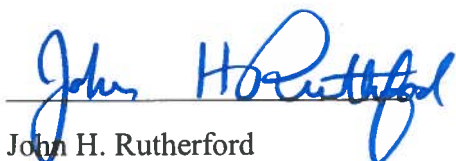
Mike Gallagher
Member of Congress



Tom Cole
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Ted Budd
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John H. Rutherford
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Rob Wittman
Member of Congress



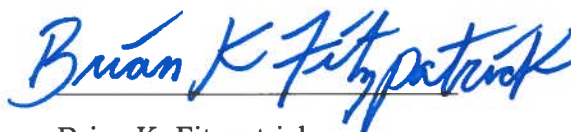
Tim Murphy
Member of Congress



J. Luis Correa
Member of Congress



Mimi Walters
Member of Congress



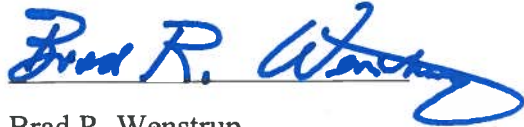
Brian K. Fitzpatrick
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Mike Coffman
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Brian Mast
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Brad R. Wenstrup
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Will Hurd
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Leonard Lance
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Gus M. Bilirakis
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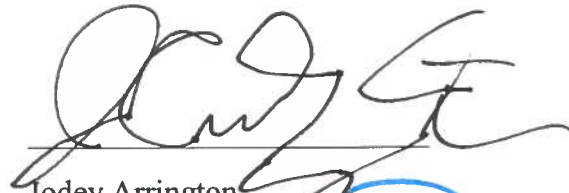
Aumua Amata C. Radewagen
Member of Congress



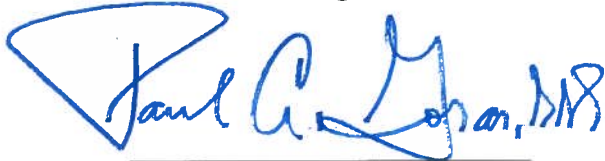
Trey Hollingsworth
Member of Congress



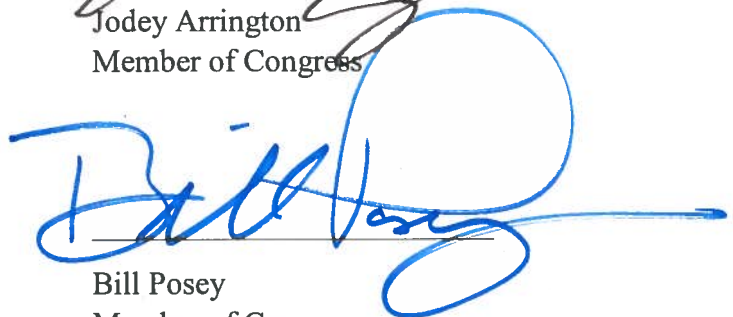
Doug Lamborn
Member of Congress



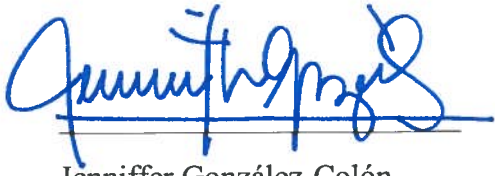
Jodey Arrington
Member of Congress



Paul A. Gosar, D.D.S.
Member of Congress



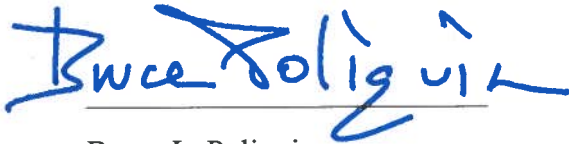
Bill Posey
Member of Congress



Jenniffer González-Colón
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Trent Franks
Member of Congress



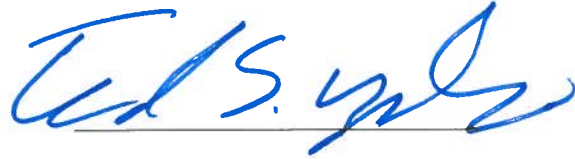
Bruce L. Poliquin
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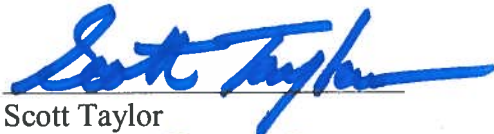
Thomas Massie
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Roger Marshall
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Ted S. Yoho, D.V.M.
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Scott Taylor
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Josh Gottheimer
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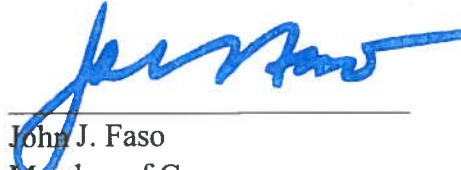
Scott H. Peters
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Steve Pearce
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